

STANDARD GUIDELINES FOR PROCESSING OF AUTOMATED EXPORT TRANSACTIONS DURING DOWNTIME OF AES AND DOWNTIME OF THE AES PARTICIPANT'S COMPUTER SYSTEM

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1. PURPOSE

These guidelines provide the uniform procedures for the processing of export transactions when the Automated Export System (AES) or the computer system of an AES Participant is unavailable for transmissions.

2. BACKGROUND

This document was written to meet the requirements of the "United States Customs Service, Year 2000, Contingency Management Strategy for Mission Critical Mainframe Applications." This document is a condensed and concise version of the "Contingency of Operation Plans" (COOP) for the Outbound Process and will serve as a guideline for any failure of AES or the participants' systems connected to AES.

The primary purpose of the COOP is to serve as a contingency in the event that AES or related systems experience major failure due to an unforeseen problem caused by the Year 2000 issue. The secondary purpose of the COOP is to serve as a guide both for Customs and the public in case of any failure of AES or related systems.

AES is Y2K compliant. All possible precautions have been taken to minimize downtime of AES. However, occasional downtime will still be experienced due to routine and/or unscheduled maintenance of AES performed by the Customs Service, Office of Information Technology. Also, unforeseen downtime can be caused by damage to the Newington mainframe computer by natural disaster, war, civil disturbance or catastrophic breakdown. In addition, AES participants may experience downtime due to malfunctions of their own equipment.

All Customs Ports, AES participants and Government agencies involved with AES are asked to become familiar with these guidelines and ensure that local procedures reflect the policies in this document. More than likely, these procedures will never be used. However, in case of emergency, these plans will ensure that normal operations of the export process can proceed without interruption.

3. DEFINITIONS

A. AES Participant is any company (exporter, forwarding agent, carrier, consolidator, service center/bureau, or port authority) actively reporting export information electronically through AES in lieu of manual or other automated reporting systems.

B. Downtime is a period of at least 1 calendar day when AES or the computer system of an AES participant is inaccessible and, as a result, export

shipments and export manifests are not reported within the required time frames.

C. Export Transactions are any transmissions of commodity Shipper's Export Declaration (SED) information, Booking Messages, Receipt of Booking Messages, Departure Messages, or Manifest Messages reported electronically through AES.

D. Manual Method is the paper method of export reporting instead of electronic filing via AES. Procedures and time frames for submitting paper manifests and SEDs are described in 19 CFR Part 4, 19 CFR Part 122, 15 CFR 30, and these downtime guidelines.

E. Severe Circumstances are situations such as natural disasters, civil disturbance, nuclear war, catastrophic accident to either AES or a participant's computer which may make normal automated reporting and verification through AES impossible.

F. State Department Licenses are issued by the Office of Defense Trade Controls (ODTC) for the export of defense related items. Customs maintains the "License for Permanent Export of Unclassified Defense Articles" (DSP-5) at the probable port of exit.

4. GENERAL POLICY

Due to the trend of automated export reporting replacing the paper reporting system, a breakdown in AES may cause a major disruption of the export process. Because of the importance of export trade statistics in the formulation of trade policy and export enforcement, the following policy has been established.

A. AES or Participant's System is Unavailable for More than One and Less than Eight Calendar Days for Commodity and/or Manifest Data

Shipments reported in AES for which full or partial pre-departure information is required will continue to be exported without interruption even if the participant's AES transmissions are delayed because the system is unavailable. However, special procedures apply for State Department licensable commodities. These are explained in Sections 4D, 5A6, 5A7, 6A3 and 6B8 of this document. Procedures and timeframes for filing manifest data, and commodity data (SED) under the various Options, are explained in Sections 5 and 6 of these guidelines. During downtime, AES participants will adhere to these guidelines when reverting to manual procedures. Essentially, these correlate with the Customs and Census regulations for electronic filing which were published on July 28, 1999. Transmissions will resume when the system becomes available. Exporters will ensure that any shipment exported during downtime includes the appropriate AES exemption statement on the waybill or other commercial documents for inclusion on the carrier's manifest. AES exemption statements are found in the Bureau of the Census FTSR Letter

No. 168 dated August 9, 1999. Participants will keep a log of downtime in which they are unable to transmit data via AES. Backlogs must be transmitted within 14 calendar days from the day AES or the participant's system becomes available.

B. AES or Participant's System is Unavailable for Eight Calendar Days or More For Commodity and/or Manifest Data

This applies to cases where AES or the participant's computer is down eight calendar days or more, or in cases of severe circumstances where it is likely that the system has suffered irreparable damage and will be unavailable for at least seven calendar days. The AES participant shall revert to the manual method of export reporting for all new transactions, starting on the eighth day, until electronic filing of AES transactions resumes. Paper SEDs and manifests will be filed in accordance with the time frames established in Sections 5 and 6 of this document. Participants will keep a log of down time for which they are unable to transmit data through AES.

C. Enforcement Verifications

During downtime, enforcement verification of export transactions will revert to manual methods. This means that Customs Officers, under the authority of 22 USC401, will need to review paper SEDs, waybills, manifests and bookings to target high risk shipments. Carriers, exporters, or their agents must be contacted by phone/fax, or in person, to detain shipments for examination or to release shipments from detention. Targeting and detentions through AES should resume immediately when AES or the AES participant's computer system becomes available. The participant or their Client Representatives should ensure that the Assistant Port Director, Outbound Operations is aware of the downtime of the participant's computer, and when their system is again available for AES transmissions

D. State Department Licenses

The State Department Decrementation Program in AES is expected to be fully implemented internally at Customs by the first quarter of 2000. This module, which is updated daily, contains an electronic copy of all approved licenses issued by the State Department. The module also contains a feature for recording export actions and computing the remaining values of the electronic licenses, which are now recorded manually on the back of the paper license held at the Customs ports. Currently, the decrementation portion of this module only applies to permanent export licenses DSP-5. Therefore, the procedures outlined in this policy ONLY apply to shipments requiring a DSP-5 license for export.

There are two ways a shipment can be posted against the electronic copy of the license. The first is for the exporter (AES filer) to send an AES commodity transmission with the license number recorded in that transmission. The electronic copy of the license will be updated automatically to reflect the export action based on the AES transmission. The second is for the shipper (non-AES filer) to present the SEDs and invoice to the Customs export desk at the port of exit. The Customs Officer will call up the license and record the export in AES instead of recording the export on the back of the paper license.

E. Downtime Matrix

<u>Filing Status</u>	<u>Outage 1-7 Calendar Days</u>	<u>Outage- 8 Calendar Days</u>
<u>COMMODITY</u>		
Option 1	Paper Pre-Departure	Paper Pre-Departure
Option 2 Pre-departure specified in regulations (used vehicles; chemicals; Presidential Proclamation; Other Government Agency pre-departure data)	Paper - Pre-Departure	Paper- Pre-departure
Option 2 (Other than above)	Shipment goes. File full data electronically within 14 calendar days after system is available	Paper - Pre-departure for all new transactions (as of 8 th calendar day)
Option 3	Shipment goes. File full data electronically within 14 calendar days after system is available	Paper – Pre-departure for all new transactions (as of 8 th calendar day)
Option 4	Shipment goes. File full data electronically within 14 calendar days after system is available	Shipment goes. Paper Post-departure for all new transactions (as of 8 th calendar day)– due within 10 working days from date of exportation
<u>VESSEL MANIFEST</u>		
Manifest	Ship goes – File full manifest data within 14 calendar days after system is available	Paper – Post departure for all new departures (as of 8 th calendar day) - due within 10 calendar days of departure from each port
Departure ***	File electronically within 14 calendar days after system is available	

*** Departure message should be transmitted after manifest is transmitted when inputting backlog data.

5. ACTION – SYSTEM UNAVAILABLE FOR SEVEN CALENDAR DAYS OR LESS

A. AES Participants

AES participants will implement the following procedures when they are notified that the system is unavailable or when they are unable to transmit through AES and the problem can be remedied in seven calendar days or less.

1. Participant Unable to Transmit

When participants are unable to transmit through AES, they should immediately analyze their system and ascertain the reason. If the problem lies with AES, the procedures in Section 5A2 through 5A6 should be followed. Participants may refer to their Client Representatives or Customs point of contact for further information on the outage. If the problem lies with the participant's computer system, the participant must assess the impact of the problem. If it appears that the problem cannot be quickly repaired, and may have a substantial impact on the participant's ability to transmit (within 4 hours of outage) the participant should contact their Client Representative and the Assistant Port Director, Outbound Operations at the nearest port. If assistance is needed in determining where the source of the problem lies, the participant should call their Client Representative. Participants should keep a log of all downtime and the reasons for the problems.

2. Downtime Procedures

A. Commodity (SED) Data

Procedures applicable to State Department licensable commodities are explained in Section 5A6.

Option 2 – Pre-Departure Transmissions Designated by Regulations:

Paper documents must be presented prior to departure for those shipments specifically designated as Option 2 in 15 CFR Part 30.61(a): Used self-propelled vehicles (except those shipped between the United States and Puerto Rico); Essential and precursor chemicals requiring a permit from the Drug Enforcement Administration; Shipments defined as "sensitive" by Executive Order; and Shipments where full export information is required prior to exportation by a federal government agency.

Option 2 (Other Than Above), Option 3 and Option 4 Transmissions

AES participants may continue to export shipments during

downtime. They will report shipments exported during the first 7 calendar days of downtime as soon as possible after their system or AES becomes available again. Full data for the backlog must be transmitted within 14 calendar days after system's availability is restored. Exporters should ensure that the appropriate AES exemption statement is provided to the carrier (see FTSR Letter No. 168 dated August 9, 1999).

All AES participants will revert to manual reporting for new transactions starting on the 8th day of downtime.

B. Vessel Departure/Manifest Data

AES vessels will continue to depart as usual during downtime. When AES transmissions resume, they will not transmit Booking or Receipt of Booking messages if the vessel has departed. However, they will transmit departure messages and full manifest data for vessels that departed during the first 7 calendar days of downtime as soon as possible after their system or AES becomes available again. The backlog must be transmitted within 14 calendar days after system's availability is restored.

AES participants will revert to manual reporting of manifests for new departures starting on the 8th day of downtime.

3. Recordkeeping

AES participants should keep copies of export documentation readily available for inspection by Customs Officers until electronic transmission into AES resumes. After recordation in AES, participants may archive this information in accordance with Department of Commerce's record keeping regulations.

4. Late Messages

AES participants should ignore "SHIPMENT REPORTED LATE" error messages for those transactions unable to be reported during AES downtime.

5. Holds

AES participants should continue to hold shipments detained by Customs Officials or placed on hold by AES prior to the system's failure. Participants should contact the local Assistant Port Director, Outbound Operations to confirm the status of their shipments.

6. State Department Licenses

When AES is unavailable for transmissions, AES filers or their designated agents should **NOT** export shipments requiring a DSP-5 license if they intend to report them through AES. Exporters and their agents should wait until AES or their system is back on line before exporting and reporting such shipments. However, the shipment can be exported provided the exporter reverts to the manual method (i.e. presenting the paper SEDs and invoice to the port of export for validation, and subsequently presenting two copies of the validated SED to the carrier for the manifest). Manual procedures may be found in 22 CFR123.22. Shipments which are processed manually should **not** be reported through AES as well, as this will result in double reporting of the shipment to the Bureau of Census. This may also result in double decrementation of the license.

B. Government's Responsibilities

During downtime of more than 1 but less than 8 calendar days, Customs and Census will be responsible for the following:

1. Client Representatives and the Newington Data Center

When notified of a problem with AES, Client Representatives and the Newington Data Center will follow the procedures in the Customs document "Trade & Field Support Problem Escalation Procedures - Internal Use" to resolve the problem.

2. Unresolved Problems

If the AES system problem cannot be remedied in a short time (less than 4 hours) and the problem will have a major impact on AES transmissions, the Newington Data Center will ensure that the Director, Outbound Programs, AES Team, and Client Representative Team Leaders are informed. The Director, Outbound Programs is responsible for informing the Chief, Foreign Trade Division, Bureau of the Census. The AES Client Representative Team Leader will notify the Client Representatives and AES clients. The Super Fax may also be used to inform the participants.

The Director, Outbound Programs will use his/her discretion in notifying the Assistant Port Directors, Outbound Operations and the Exodus Command Center. When an AES participant notifies their Client Representative that their system is unavailable for an extended period of time, the Client Representative or the participant will in turn notify the affected ports. The Assistant Port Director, Outbound Operations of that port will notify the members of the various outbound teams.

3. Notification of Local Customs Ports

Customs Officers will be notified that AES is unavailable by any of the

following:

- a 505 or 504 error message when attempting to log on the system
- a comment in the status column on the TPX menu that AES is unavailable
- a message from the Director, Outbound Programs
- notification from a Client Representative or AES participant that there is a problem with their system. Customs personnel may contact the Newington Data Center at (703) 921-6000 to ascertain the status of AES.

4. Verifications

Enforcement verifications of export transactions will revert to manual methods during AES downtime. This means that Customs Officers will need to review paper SEDs, waybills, manifests and bookings to target for high risk shipments. Carriers, exporters, or their agents must be contacted by fax/phone, or in person, to detain shipments for inspection or to release those shipments. Any questions concerning requirements for other agencies such as BXA, OFAC or State will be referred to the Exodus Command Center. Targeting and detentions through AES should resume immediately when AES or the participant's computer system is available for transmission.

5. Holds

Customs Officers should respond immediately to inquiries from AES participants concerning holds. Officers should keep a manual record of inspection results until AES becomes available, at which time the officer will record inspection results in AES.

6. Evidence of Compliance

During downtime, Customs Inspectors should accept export documents with the AES exemption statement or the presentation, upon request, of the participant's copies of export documentation awaiting input into AES (see 5A3 of this document) as evidence of the participant's compliance with export regulations. If there is a question about compliance, Customs Officers may verify exports in AES after the AES participant has had reasonable time to input their backlog.

7. State Department Licenses

Exports requiring State Department Licenses should not be delayed because AES is unavailable. If a shipper presents an SED for validation while AES is unavailable, Customs Officers should check the paper licenses filed at their port, or at the port where the paper license is filed, to confirm the existence of the license. The Officer can validate the shipper's copies of the SED and return those copies to the shipper for

forwarding to the carrier. The officer should hold the copy of the SED that is to be forwarded to the State Department until AES becomes available. When AES processing resumes, Customs will ensure that decrementation is accomplished in the system.

6. ACTION – SYSTEM UNAVAILABLE FOR EIGHT CALENDAR DAYS OR MORE

A. AES Participants

Participants will execute the procedures outlined below in the following instances:

- a. AES Participant is informed by a Customs Official that these procedures are in effect. The decision to implement these procedures can only be made by the Director, Outbound Programs or his representative.
- b. Participant informs the Client Representative, who in turn informs the local Assistant Port Director, Outbound Operations that they are executing these procedures because of a fault in their system that cannot be repaired in seven days.
- c. Severe circumstances cause a complete breakdown in communications making it unlikely to restore transmissions within seven days.
- d. Filers may also agree to revert to manual procedures in less than seven days of unavailability of AES, if agreed upon by Census and Customs.

1. Manual Procedures

In the situations described above, AES participants will revert to submitting paper SEDs and manifests for all new transactions starting on the 8th day of downtime.

A. Commodity Data (SED)

Option 2 and Option 3 Shipments:

AES participants will provide full paper documentation prior to departure, for all new transactions starting on the 8th calendar day of downtime. AES exporters may submit their SEDs directly to Customs or if more convenient, to the carrier for submission to Customs. SEDS must be separated by carrier, port, and date of

departure. A cover sheet identifying the carrier, number of bills, and number of SEDs must be attached to individual batches. This will facilitate association with the appropriate manifest.

Option 4 Shipments

AES participants will provide paper documents for all new transactions starting on the 8th day of downtime. These documents will be due 10 working days from the date of exportation, unless the system becomes available sooner.

B. Vessel Manifest Data

AES carriers will revert to manual reporting of manifests for new departures starting on the 8th calendar day of downtime. These manifests will be due 10 calendar days after departure from each port of departure, unless the system becomes available sooner. Customs may verify that backlogged manifest data from days 1-7 is transmitted within 14 calendar days after the system is restored.

2. Holds

AES participants should continue to hold shipments detained by a Customs Official, or placed on hold by AES prior to the system's failure, until the hold is resolved. Participants should contact the local Assistant Port Director, Outbound Operations to confirm the status of any shipments.

3. State Department Licenses

AES participants will revert to the manual method for the processing of DSP-5 licenses. The exporter will present at least three copies of the paper SED along with the invoice to the port of export for validation, and then present two copies of the validated SED to the carrier for the manifest. Procedures for the manual method may be found in 22 CFR 23.22.

4. Discontinuation of Manual Procedures

AES Participants may resume export reporting through AES when informed by a Customs Official that AES is again available or when the applicant's system becomes available and the proper notification is made to Customs (Client Representative and Assistant Port Director, Outbound Operations). AES participants may then discontinue manual reporting.

AES PARTICIPANTS SHOULD BE CAREFUL NOT TO REPORT

THROUGH AES ANY SHIPMENT THAT HAS BEEN REPORTED MANUALLY.

B. Government's Responsibilities

1. Client Representatives and the Newington Data Center

When notified of an internal problem within the Customs AES system, Client Representatives and the Newington Data Center will follow the procedures in the Customs document "Trade & Field Support Problem Escalation Procedures - Internal Use" to resolve the problem.

2. Unresolved Problems

If the above problem cannot be remedied within seven calendar days, the Newington Data Center will inform the Director, Outbound Programs, and AES Client Representative Team Leader. The Director, Outbound Programs is responsible for informing the Chief, Foreign Trade Division, Bureau of the Census and Customs Field Personnel. The AES Client Representative Team Leader is responsible for informing all Client Representatives and the AES Participants.

3. Revert to Manual Processing

When AES is unavailable for eight or more calendar days, the Director, Outbound Programs, U.S. Customs, with the concurrence of the Chief, Foreign Trade Division, Bureau of the Census, will make the decision to implement the manual method of export reporting as per 19 CFR Part 4, 19 CFR Part 122 and 15 CFR Part 30, and the "Standard Guidelines for Processing of Automated Export Transactions During Downtime of AES and Downtime of the AES Participant's Computer System".

4. Customs Ports

Once Customs Ports are notified of the decision to revert to manual procedures, they will collect paper export documents from exporters and carriers in accordance with Sections 5 and 6 of these guidelines.

5. Census Copies of the SEDs

Customs will mail Statistical Copies of the SEDs to the Bureau of the Census as often as necessary but not less than once a week. Each batch of SEDs should be accompanied by an FTD 16 transmittal sheet. Procedures can be found in the "Trade Statistical Handbook" CIS 3500-04, dated April 1998.

6. Verifications

Enforcement verification of export transactions will revert to manual methods during AES downtime. This means that Customs Officers will

need to review paper SEDs, waybills, manifests, and bookings to target for high risk shipments. Carriers, exporters, or their agents must be contacted by phone/fax, or in person, to detain shipments for examination or to release shipments from detention. When deemed necessary, Customs will verify compliance with the two-week time frame for inputting the backlog data from days 1-7.

7. Holds

Customs Officers should respond immediately to inquiries from AES participants concerning holds. All inspection results will be recorded in the Outbound Targeting and Tracking System (OTTS) in the Treasury Enforcement Communications System (TECS) until AES is available. If OTTS is unavailable, Customs Officers should keep a manual record of inspection results until OTTS is available.

8. State Department Licenses

The Director, Outbound Programs will be responsible for notifying the Customs Ports to revert to paper processing of State Department Licenses. This means that decrementation information presented by the exporter will be recorded by Customs Officers on the back of the paper license. Customs Officers should use the copy of the SED to ensure that information which was awaiting input into AES is recorded on the paper license. Procedures for paper recording of licenses may be found in 22 CFR 123, and in the Export Control Handbook in the TECS Reference Library (RLIO).

The decision to resume automated reporting on a national basis will be made by the Director, Outbound Programs. At that time the Director Outbound Programs will institute procedures for updating the State Department Module in AES with the information recorded on the paper license. It is suggested that ports record their export actions in red pen during downtime for easier identification of data to be input into AES.

9. Discontinuation of Manual Procedures

It is the responsibility of the Director, Outbound Programs, with the concurrence of the Chief, Foreign Trade Division, Bureau of the Census, to make the decision to resume automated reporting through AES. The Director, Outbound Programs is responsible for notifying the Client Representative Team Leaders and the local Customs Ports. Once the ports are informed that AES is available, Customs Officers may resume automated procedures for verification.

7. MISCELLANEOUS

A. Denied Persons List

The Bureau of Export Administration (BXA) issues a list of persons denied the privilege of exporting from the United States. An electronic, public version of the denied parties list may be viewed on the Internet at www.bxa.com.gov. A printed version can be found in the "U.S. Export Administration Regulations" Part 764 Supplement No 2. A copy of these regulations may be purchased from the National Technical Information Service, 5285 Port Royal Rd., Springfield, VA. 22161 phone number 1(800) 363-2068 or (703) 605-6060.

B. Other Agencies

AES receives information from other agencies for edits, either directly into AES or through a link with TECS. These agencies should contact the Director, Outbound Programs, U.S. Customs, at (202) 927-6060. if there is a problem with the transmission of this information. The Director, Outbound Operations or his/her representative will evaluate the situation and contact the appropriate headquarters and field personnel. Customs personnel will direct questions concerning licenses and permits for other agencies (BXA, OFAC, and NRC) to the Exodus Command Center.

8. RESPONSIBILITY

Newington Data Center and AES Team Personnel, Port Directors/Assistant Port Directors, Outbound Operations, Census and Customs Client Representatives, and AES Participants should ensure that all personnel engaged in AES processing are aware of, and follow these guidelines. For questions regarding this policy, AES participants should contact their assigned Customs or Census Client Representatives, or one of the following: Gerry Horner (Census) at (301) 457-3539, Blaine Villwock (Customs-Newington) at (703) 921-7496, or Maritza Castro (Customs/Outbound - Headquarters) at (202) 927-0724. Customs personnel should contact Maritza Castro at (202) 927-0724.